

## Should you be selling your stocks right now?

FISHER INVESTMENTS\*

If you have a \$500,000 portfolio, you should download the latest report by *Forbes* columnist Ken Fisher's firm. It tells you where we think the stock market is headed and why. This must-read report includes our latest stock market forecast, plus research and analysis you can use in your portfolio right now. Don't miss it!

[Click Here to Download Your Report!](#)

Dow Jones Reprints: This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit [www.djreprints.com](http://www.djreprints.com)

See a sample reprint in PDF format.

Order a reprint of this article now

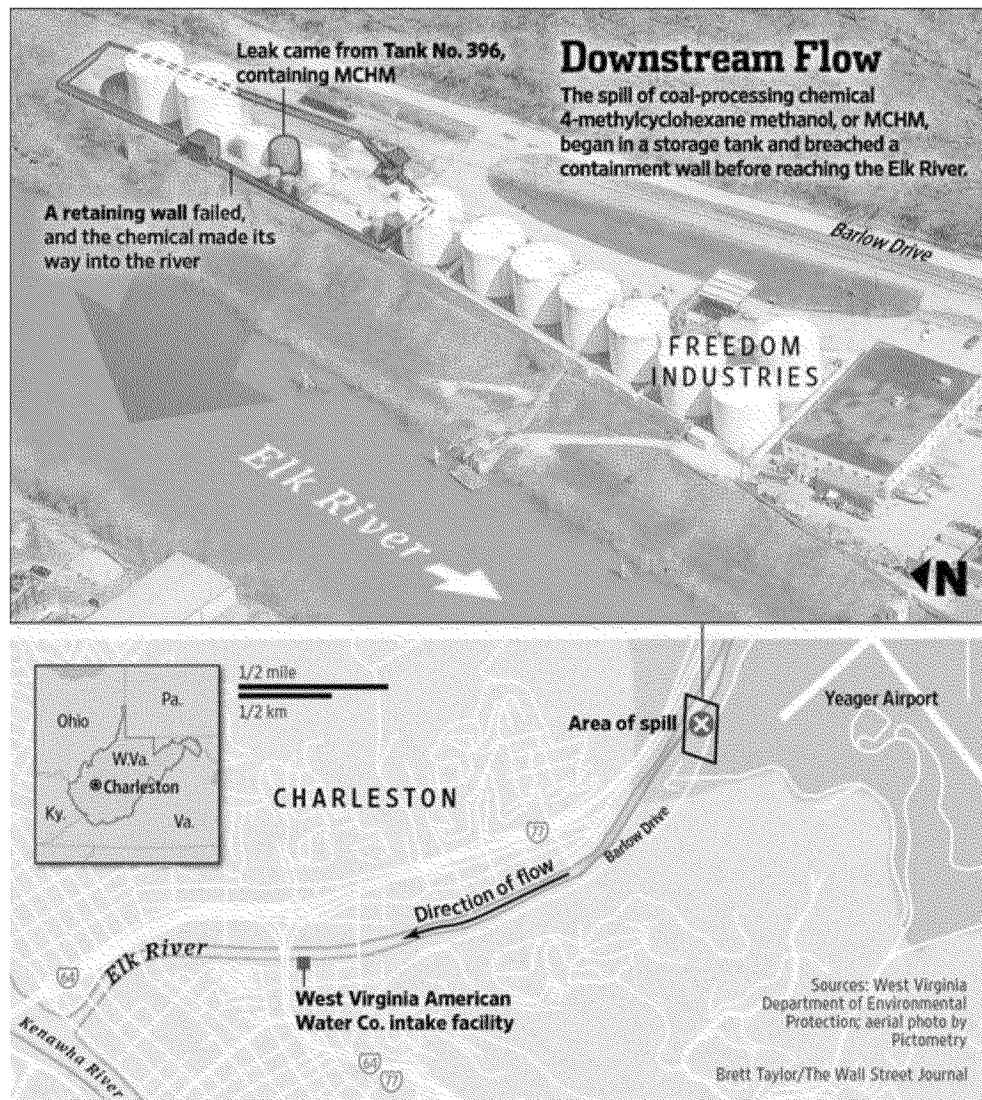
U.S. News

West Virginia Inspectors Visited Chemical Spill Site Five Times Since 2001

West Virginia Residents Complained of Strong Smell From Storage Facility

By KRIS MAHER And VALERIE BAUERLEIN

Updated Jan. 16, 2014 12:46 p.m. ET



CHARLESTON, W.Va.—State environmental inspectors visited the site of last week's chemical spill here at least five times since 2001, mainly for routine reviews but once in response to complaints of a strong licorice smell, newly released records show.

In 2010, inspectors traced the licorice odor to storage tanks containing 4-methylcyclohexane methanol, the records say. That is the same substance authorities said leaked from a tank on the site Jan. 9, breached a failed containment wall and entered the Elk River, blanketing the city in the distinctive smell and contaminating the water supply for 300,000 people.

The trove of records from the West Virginia Department of Environmental Protection contradicts reports from agency authorities soon after the spill that inspectors hadn't been on the site owned by Freedom Industries Inc. since 1991.

Tom Aluise, a department spokesman, said Thursday that the agency initially wasn't aware of the additional inspections.

### West Virginia Water Ban

Site Avoided Broad Regulatory Scrutiny (1/13/2014)  
Authorities Knew About Chemicals (1/11/2014)

Hazardous Chemical Inventory Supplied to the State  
by Freedom Industries

The Safety Data Sheet on MCHM Supplied by the  
Manufacturer

by The Wall Street Journal.

### Odor Complaints

Records show DEP inspectors visited the storage facility in 2002 as part of a voluntary cleanup done by the previous owner, Pennzoil-Quaker State Co., which had sold the parcel to a company connected to Freedom a year earlier. Inspectors from the agency's air-quality division also conducted routine reviews in May 2005, June 2009 and February 2012. No violations were found, according to a review of the documents

The storage site falls under state and local air-quality laws that require permits for emissions that exceed certain amounts. No permits were needed because the site didn't go over those limits, the agency repeatedly found.

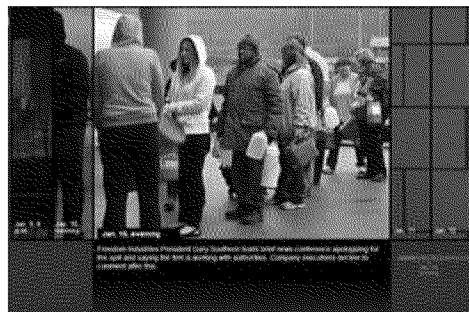
At the same time, a separate state groundwater protection rule says the facility must regularly self-inspect its tanks, develop a plan to protect against contamination and maintain a containment area around tanks that can hold a spill for at least 72 hours. The DEP isn't required to inspect the facility for violations of that rule because the chemical isn't classified as hazardous waste under federal law, revealing a gap in oversight.

Mr. Aluise, the DEP spokesman, said Freedom hadn't provided the state with a groundwater protection plan.

A Freedom representative declined to comment Thursday.

### Timeline: West Virginia Chemical Spill

See a timeline of events surrounding the contamination of the water supply around Charleston, W.Va.



The April 2010 inspection lends support to reports from nearby residents who say they have smelled the chemical, at times strongly, for several years. At the same time, it also shows that state regulators exercised more oversight of the facility than previously thought and on multiple occasions found it compliant with state and federal environmental rules. Jerry Burgess, 71 years old, who lives near the site and whom records show made the 2010 complaint, said he has smelled the odor periodically since. He said he never called state officials again.

"I didn't get no results then, so what's the use of calling again?" he said.

Robert Keatley, a senior engineer in the state DEP's air quality division, went to the site in April 2010 with another inspector in response to the complaint. The odor didn't rise to the level of a violation, Mr. Keatley said in an email to the Journal.

The agency determined a few months later that the site didn't require a permit because MCHM emissions into the air were under state limits for hazardous pollutants, according to a separate document.

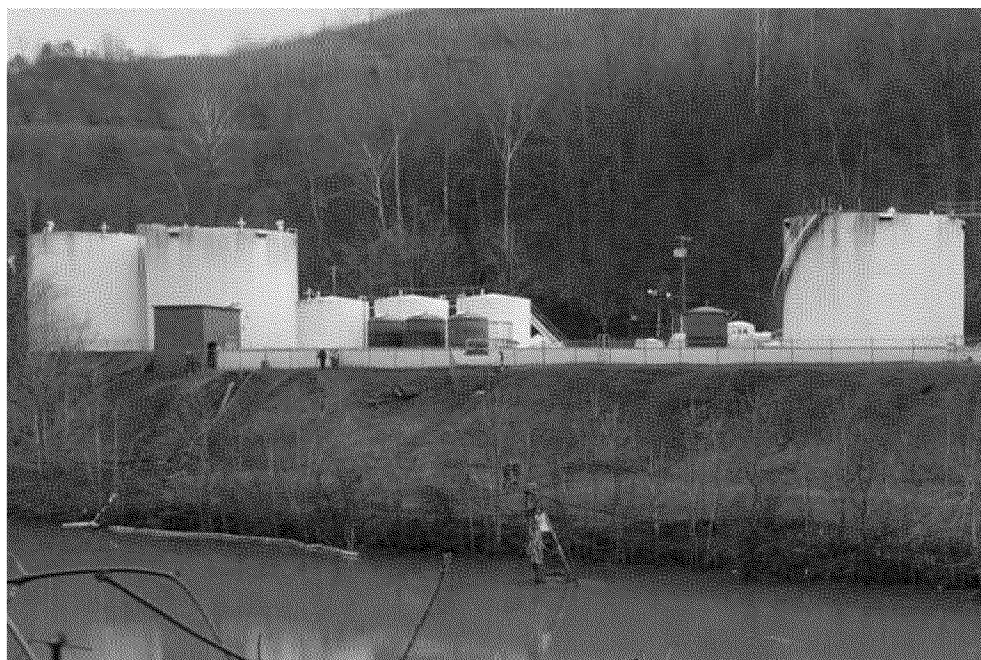
He added that the agency's air quality division has inspected the site for more than 20 years, including when it was a bulk gasoline terminal under Pennzoil. He said the 2010 odor complaint was the only one the agency had received before last week.

"The odor could have come from the loading of the MCHM," Mr. Keatley said.

In a brief Jan. 10 news conference, Freedom President Gary Southern also attributed prior reports of odors from residents to normal handling of MCHM. "We load tank trucks of this material on a regular basis and occasionally we've had reports of an odor previously," he said.

The Jan. 9 spill has left many residents worried about what they say is a history of strong smells they now believe were coming from the Freedom facility.

Little is known about the health effects of the chemical, one of thousands of industrial substances used with little federal oversight. It can irritate skin, eyes and breathing tracts, according to the available data. Its long-term effects haven't been studied in humans, according to publicly available information. Water is slowly being restored to the area as the chemical dissipates.



Workers inspect an area outside a retaining wall around storage tanks where a chemical leaked into the Elk River in Charleston, W.Va. *Associated Press*

On Jan. 10, after the spill, inspectors cited the company for two alleged air-pollution violations at the site. Al Rock, who records show first reported the smell from the chemical leak to the state DEP on Jan. 9, said in an interview that he and his family has detected the odor on and off for about two years. Mr. Rock, who sells commercial kitchen equipment near the site, said the smell would sometimes linger in his warehouse for hours and that it was sometimes so strong it made his brother and wife nauseated.

"We've been fighting these smells for at least two years," he said.

Over that time, Mr. Rock said he tried to find the odor's source. He said he had the gas company come to his property to check for a gas leak and called a hotline to report a possible methamphetamine lab in the area. He also thought one of the many chemical manufacturers in the region might have been to blame for the odor.

On Jan. 9, Mr. Rock said he and his wife noticed the smell while they were still in their car driving to their business. "As soon as we hit that intersection, my wife got nauseous and her head was hurting and she said she had an oily film in the roof of her mouth," he said. "That's what motivated me to get on and call somebody."

Mr. Rock said he called the state DEP's air quality hotline a little after 8 a.m. and relayed his complaint, and was told a staffer to handle the complaint would be in at 8:30 a.m. He called again at 8:16 a.m. but decided not to leave a message. Then at 9:30 a.m. he called 911, he said.

Patricia Schott, 61, who lives near the Freedom facility, said she has smelled the licorice odor for at least three years and wondered about the potential health impacts. The family cooked and bathed in their water on Jan. 9 during a seven-hour period after the spill was discovered but before a water ban went into effect, she said.

The next day, she said her 7-year-old granddaughter developed severe diarrhea, wheezing and welts over her body and was taken to a hospital, where she spent eight hours and was given anti-inflammatory medication.

"We're afraid of the water still," Ms. Schott said.

—Alexandra Berzon contributed to this article.

**Write to Kris Maher at [kris.maher@wsj.com](mailto:kris.maher@wsj.com) and Valerie Bauerlein at [valerie.bauerlein@wsj.com](mailto:valerie.bauerlein@wsj.com)**

Copyright 2013 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our Subscriber Agreement and by copyright law.

For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit

[www.djreprints.com](http://www.djreprints.com)